



Anti-Bribery Policy

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About this Anti-Bribery Policy

This Anti-Bribery Policy describes the legal and ethical requirements for the employees of Cambridge Energy (“CE”) to avoid corrupt practices throughout their business activities for CE.

This Anti-Bribery Policy applies to all employees (including hired-in personnel), officers and directors in CE, and to all entities and their personnel (including hired-ins) where CE, directly or indirectly, effectively controls 90% or more of the shares and votes in the entity in question. Intermediates, lobbyists and others who act on behalf of said companies are expected to adhere to standards, which are consistent with this Anti-Bribery Policy.

CE will also work towards ensuring that suppliers, subcontractors and other contracting parties (jointly “Business Partners”) of CE also adhere to standards which are consistent with this Anti-Bribery Policy and applicable laws and regulations.

It is the responsibility of each CE business unit to implement and enforce the policies identified in this manual. Line managers are responsible for making the policies in this manual known in their organization and promoting a culture of awareness and compliance and for monitoring compliance. Any stricter policies or instructions implemented by the respective business units applies in addition to this manual.

It is also a requirement that CE’s business units take reasonable steps under the circumstances to ensure that Business Partners do not engage in corruption or other illegal or unethical activities in relation to their business with CE.

Each CE business unit is responsible for understanding the specific anti-corruption laws applicable to its operations, and for adopting additional anti-corruption policies and guidance as necessary to comply with those laws.

General

Corruption prevents economic development, distorts competition and undermines both the rule of law and democratic processes. National and international law applicable to CE’s global business activities prohibits CE and its employees from engaging in corruption, such as the bribery of public and/or private sector officials. Extraterritorial application of several anti-corruption regimes implies that it may not be sufficient to only observe local law when dealing abroad.

In accordance with well established principles as described in CE’s Code of Conduct, CE has a strong commitment to operate in accordance with responsible, ethical and sound business principles and comply with all applicable laws and regulations. CE specifically does not permit or tolerate engagement in any form of corruption.

No employee should assume that it is in CE’s interest to engage in any form of corrupt activity. Absolute compliance with CE’s anti-corruption policy is required by all CE employees at all times, and no CE employee may authorize another CE employee or Business Partner to deviate from this policy.

Any failure to comply with applicable anti-corruption law will be considered a serious breach of the employee's obligations towards CE and will most likely result in termination of the employment or other applicable sanctions.

Anti-corruption guidance

On a day-to-day basis, you should seek guidance from and direct anti-corruption inquiries to your immediate superior. You may also contact CE's legal department if you have any questions about this manual or anticorruption law. Non-compliance with anti-corruption laws and CE's anticorruption policies is a serious breach of CE's business principles and may cause great damage to CE. If you have reason to believe that employees or agents representing any CE company have engaged in, or intend to engage in, corrupt activities this should be duly reported.

Reporting / Whistle blowing

Should you feel that there are possible unethical issues at CE we would like you to report this to your superior in a responsible way. As a whistle blower you are protected by law - you should not be treated unfairly or lose your job because you 'blow the whistle'. If you find it difficult to raise the issue in your organisation directly, you can contact CE's legal department.

What is corruption? Legal background

International conventions and agreements of the United Nations, the World Bank, IMF, WTO, the Organization of American States, OECD and the EU oblige participating countries to implement comprehensive national legislation against corruption. Corruption is forbidden in most countries around the world. It is important to be aware that national anti-corruption legislation frequently applies regardless of in which country the acts have been carried out and regardless of whether corruption is lawful according to that country's national law. In practice, citizens and companies may be prosecuted according to national anti-corruption legislation for acts committed anywhere in the world. Notably, the US Government enforces extraterritorial jurisdiction to prosecute corrupt activities anywhere in the world pursuant to the U.S. Foreign Corrupt Practices Act (the FCPA).

Definition

While the specifics of anti-corruption law may be different in different parts of the world, most anticorruption laws share a common core definition of "corruption".

For the purpose of CE's anti-corruption policy, corruption will include any attempt to directly or indirectly (through middlemen):

- Give or offer someone an improper advantage based on position, assignment or duty (active corruption), or

- Demand, receive or accept an offer to receive an improper advantage based on position, assignment or duty (passive corruption).

Typical examples of corruption are:

- paying for illegitimate or unlawful travel or entertainment expenses for officials or their family members;
- agreeing to purchase goods or services from officials or their friends or family members in return for favors; or
- donating to a charity linked to an official in expectation of a benefit from that official.

Improper advantage

Whether an advantage or a benefit is improper will depend on concrete judgment, where several factors may be relevant such as the nature of the benefit, the position of the recipient, the relationship between the parties and the specific context in which the benefit is being provided. Any benefit provided in return for the misuse of the receiver's position, task or assignment will generally be considered an improper advantage.

An improper advantage will usually be a benefit in the form of cash or objects with economic value, but may also include benefits without economic value. Personal benefits provided in relation to the recipient's position, task or assignment, such as services carried out for free or with a discount, invitations to otherwise private organisations or clubs may easily be regarded as improper. Benefits in exchange for, or benefits that constitute, a breach of statutory or contractual obligations, such as the receipt or delivery of proprietary information, will by its nature easily be considered an improper advantage in regard to anti-corruption law. An advantage can be improper even if no benefit is provided in return.

Benefits exchanged in relation to discretionary acts and lack of transparency associated with granting of a benefit should be red flags for a potential improper advantage.

Facilitation payments

Facilitation payments are payments to secure the performance of routine governmental acts ordinarily performed by lower level officials, such as issuing non-discretionary permits, processing visas and other papers, providing utility service, loading and unloading cargo, or protecting perishable products or commodities from spoilage. Routine governmental acts do not include decisions where the government official has legal discretion on how he or she will act on the issue at hand. In accordance with applicable anti-corruption legislation, CE has a general policy against facilitation payments. This is further described in section "Facilitation payments" below.

Trading in influence

By trading in influence, or influence peddling referral is being made to the situation where a person misuses his/her influence over the decision-making process for a third party (person, institution or government) in return for his loyalty, money or any other material or immaterial undue advantage.

Public and private sector payments prohibited

This Anti-Bribery Policy prohibits improper payments to officials of governmental or public sector entities, as well as corrupt payments to any person, including executives, employees or agents of private sector companies.

CE's Anti-Bribery Policy prohibits corrupt activities of any type, whether those activities are related to a position, assignment or duty within public or private sector.

Liability for corrupt acts of affiliates or representatives

Corruption may also include payments made by subsidiaries, affiliates, agents or others acting on behalf of the parent company or as part of the parent company.

Accurate accounting

Anti-corruption law requires that CE has in place effective internal accounting control and maintains books and records that accurately reflect the companies' transactions. All entities within the group must correctly account for income and expenditures and must ensure that payments are not recorded falsely in company books. Misreporting or omitting any subsidiary or affiliate's payments in the parent company's consolidated accounts on knowledge or even suspicion of these payments being bribes may in itself be a breach of anti-corruption law by the parent company.

Consequences of non-compliance

The potential consequences of non-compliance with applicable anti-corruption laws are substantial:

- Fines, penalties and government-ordered compliance costs
- Prohibition from doing business in certain countries or industries, with certain governments or from participating in public tenders.
- Liability for damages claims by third parties disadvantaged by the corrupt activity, such as competitors who may have lost business.
- Negative publicity which can do tremendous damage to a company's reputation and business relationships.

- Individuals involved in corrupt activities may be subject to criminal sanctions, including fines, imprisonment, and in certain jurisdictions even corporal punishment.

The mere decision by relevant authorities to initiate investigation of a suspected anti-corruption infringement may cause serious harm to the involved party's reputation and business interests and trigger substantial costs.

RELATIONS WITH CUSTOMERS, SUPPLIERS AND PUBLIC OFFICIALS

General principles

CE shall act in an open, ethical and lawful manner towards all potential or existing customers, suppliers, and public officials.

In addition to following CE's anti-corruption guidelines in their dealings with customers, suppliers and public officials, employees must also verify whether applicable customer, supplier or public body anti-corruption policies require additional precautions to ensure compliance with the anticorruption policies of such parties. CE shall always perform its contractual obligations in accordance with the terms of the relevant contract unless exceptions are approved by authorized line management and properly documented in company records.

Payments without transparent receipts or payments to unconfirmed recipients or account numbers shall not be accepted. Payment for all sales and marketing activities, including coverage of third parties' expenses, and payment for contract performance on behalf of CE shall be open and transparent internally and vis-à-vis CE's counterparties. Any invitation for individuals to participate in events or activities fully or partly paid by CE shall be addressed to the appropriate management level within the relevant legal or public entity. Special caution must be exercised in relation to public officials and in situations where the recipient at the time is in a particular position to make a discretionary decision or act that could be beneficial to CE.

CE employees must consult their supervisor if there is any doubt whether particular marketing or service activities conform to CE's or relevant third party's anti-corruption policies.

All expenses shall be approved under standard company procedures and documented and recorded in accordance with appropriate accounting standards.

Under no circumstances may any CE employee receive or provide any kind of improper benefit from or to a supplier or business partner, including personal rebates, kickbacks, undocumented discounts, etc. CE companies must take reasonable steps under the circumstances to ensure that CE's business partners, including suppliers, do not engage in corrupt activities or other illegal or unethical activities. CE employees who suspect that independent business partners are involved in corrupt activities must report and seek advice in the matter according to the procedures referred to in above.

Travel and entertainment expenses

Payment for reasonable and true expenditures for seminars, travel, meals, lodging and entertainment for potential or existing customers may be permissible if those expenditures are directly related to the promotion, demonstration or explanation of CE's products or services or the performance of a contract. The general principles above apply correspondingly for CE's payment for the participants' expenses. In addition, such payments:

- Must be directly related to true marketing, business development or contract performance expenses.
- May not be provided, or appear to be provided, in expectation of or return for any personal benefit.
- Must be reasonable in amount, and appropriate under the circumstances.
- Must be verified through reasonably detailed documentation of actual expenses, including receipts and explanations of the payments' purposes and the legitimate business reasons for them.
- Must be in line with the receiver's company policy and provided in an open and transparent manner. Payment of travel, meal, lodging or entertainment expenses for family members or friends of government or business officials is not permitted.

Gifts

While exchanging gifts with customers, suppliers and business partners is a customary part of international business, under no circumstances should CE offer gifts in cash. Gifts other than cash may be permitted, however, they:

- Must be of minimal economic value, infrequent in nature and clearly appropriate under the circumstances.
- Must not be given in a context or a way where there are reasons to suspect that the recipient will keep such gift or benefit hidden from his or her superiors, e.g. gifts should be addressed to the recipient's working address at the relevant legal or public entity.
- Must not be provided in return for any benefit.

Political contributions

Political contributions, such as contributions to the political campaign or fundraising efforts of public officials in support of their ability to run for office may be viewed differently under the laws of the countries in which CE does business. Additionally, such contributions may have a potential impact on CE's corporate image. Such contributions must therefore be approved in advance by CE. Requests for approval should be directed to CE's Legal Department. If such contributions are approved, they must be provided in an open and transparent manner in compliance with all applicable laws and accounting principles.

Facilitation payments

“Facilitation payments” are payments to secure the performance of routine governmental acts and do not include discretionary decisions or acts. In accordance with applicable anti-corruption legislation, CE has a general policy against facilitation payments and does not justify facilitation payments merely because it is customary or advantageous in the circumstances.

In certain extortion-like situations facilitation payments may be necessary and justifiable in order to avoid a significant harm to CE's values or legitimate business interests. This will have to be assessed in the specific circumstances at hand, but will generally not include any of the following:

- Payments of significant amounts.
- Payments made repeatedly to the same officials, or
- Payments of a type and nature which is treated as illegal by national law enforcement authorities.

Facilitation payments should be distinguished from situations of true extortion, e.g. a direct threat of an unlawful and harmful act vis-à-vis CE's property in a situation that CE could not foresee and where CE is not able "to turn its back and walk away from the situation". Further, necessary payments to ensure personal health or safety are generally legitimate as an act of necessity.

Any payments related to facilitation payments or extortion shall, when possible, be properly authorised in advance through line management in consultation with CE's legal department and shall always be documented and recorded in accordance with normal company accounting and control procedures.

Relations with agents and other representatives

CE does not tolerate corrupt activities undertaken by its agents or representatives.

Agents and other representatives acting on behalf of CE ("agents") shall uphold the same standards of anticorruption compliance as CE. CE entities shall always undertake due care and take appropriate steps to ensure that CE's agents comply with CE's anti-corruption standards. The requirement of due care will vary depending on the circumstances, but will always include the following steps:

- Conducting a documented due diligence screening of potential agents before engagement.
- Formalising the engagement by a written contract including a clear description of the agent's performance of work, provisions prohibiting corrupt activities and appropriate monitoring mechanisms.

- Ensuring that the payment for the services rendered is reasonable in relation to the services to be performed. The methods of payment shall be transparent and in accordance with applicable law and good business standards. Payments in cash and payments to third parties are generally not permissible. Any payments to foreign accounts must be treated with utmost caution and appropriate verification must be obtained to ensure that CE does not contribute to tax evasion, corruption, fraud or other illegitimate business practices.
- A reasonable level of follow-up to ensure that agents are fulfilling their obligations in this area.

The risk of possible corruption issues is generally higher in countries with less government and corporate transparency and in cases where an agent is the CE entity's sole representative in a particular area. The risk may also depend on the services rendered by the agent, e.g. advisors interacting with local authorities, lobbying and closing of high value sale contracts may be considered to be especially exposed.

Relations with minority-owned companies, joint ventures and M&A

Prior to any merger or acquisition of another company, CE companies must perform thorough due diligence research to rule out any outstanding anti-corruption liabilities. Similarly, before entering into partnerships, CE entities shall always undertake due care and take appropriate steps to ensure that CE's partners uphold, and that the contemplated partnership will uphold the same standards as CE in relation to anti-corruption. The requirement of due care will vary depending on the circumstances, but will always include:

- Conducting a documented due diligence screening of potential partners before entering into any partnership.
- Formalising the partnership by a written contract, including provisions prohibiting corrupt activities and appropriate monitoring mechanisms.

CE entities must exercise special care when entering into joint ventures or other partnerships with local entities mandated by national law. Such partnerships may involve payments by the local company to persons or entities with close ties to the government. CE entities contemplating involvement in such partnerships must first guard against any improper payments or any perception of improper advantage which may derive as a result of the contemplated partnership.

CE shall use its influence in minority-owned affiliates and joint ventures to prevent or discourage corrupt activities by those entities in accordance with the policies in this manual.

It is particularly important that any financial information included in CE's books and records are audited and confirmed as not containing any inaccurate information. Prior to relying on or including any affiliate information in any CE report or statement, CE employees shall take all reasonable steps under the circumstances to confirm that such information is accurate and complete.

Receipt of acknowledgement

All employees in the target group must sign the receipt of acknowledgement set out below to confirm that they have read and understood the CE Anti-Bribery Policy. The employee's immediate manager is responsible for this action. After the receipt is signed it must be forwarded to the CE's legal department.

RECEIPT OF ACKNOWLEDGEMENT - CAMBRIDGE ENERGY ANTI-BRIBERY POLICY

I hereby confirm that I have read and understood the Cambridge Energy Anti-Bribery Policy.

Date

Employee name (in capital letters)

Signature



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